

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317)232-9855

**ADMINISTRATIVE RULE
FISCAL IMPACT STATEMENT**

PROPOSED RULE: 95-200

DATE RECEIVED: Dec 28 95

STATE AGENCY: Indiana Gaming Commission

DATE PREPARED: Jan 22 96

FISCAL ANALYST: Kristin Nahill Breen

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Digest of Proposed Rule: This proposal adds 68 IAC 12-1 to establish rules regarding riverboat surveillance system specifications. The rule becomes effective 30 days after filing with the Secretary of State.

IC 4-33-4-2 provides that the Indiana Gaming Commission may promulgate rules which are related to the duties or the procedures of the Board.

Governmental Entities:

State: There is no state fiscal impact and there are no unfunded mandates placed upon any state agency by this proposed rule.

Local: There is no local fiscal impact and there are no unfunded mandates placed upon any political subdivision by this proposed rule.

Regulated Entities:

The proposed rules specify areas and activities on riverboats that must be monitored, surveillance equipment that must be installed, and the type of monitoring that must occur on all riverboats in Indiana. Under current law, eleven riverboat licenses may be awarded, including five on the Ohio River, five on Lake Michigan, and one on Patoka Lake. However, the Indiana Gaming Commission assumes that the owner's license for Patoka Lake will not be issued since the lake is under the control of the United States Army Corp of Engineers.

Currently, there is one riverboat in operation in Evansville, Indiana. Casino Aztar, which operates the riverboat, has budgeted \$440,000 for its surveillance system and estimates that it will spend the entire budgeted amount. According to the Indiana Gaming Commission, Casino Aztar is in compliance with these proposed rules.

The Casino Aztar riverboat can carry 2,500 passengers and 300 staff members. This is comparable with the average size of the other riverboats being proposed in Indiana. Based on this information, it is estimated that the other riverboats will spend approximately \$440,000 each to install surveillance systems. If all ten riverboats spend \$440,000 each on surveillance systems, it is estimated that the total cost for riverboat owners to install surveillance systems would be approximately \$4.4 M.

It is customary for casinos to install surveillance equipment to monitor activity. It is not known what cost would be incurred without the existence of these proposed rules. However, it is estimated that at least a portion of these costs would be incurred without the proposed rules.

Information Sources: Kay Fleming, Indiana Gaming Commission, 233-0046; Maureen Keenan, Director of Finance and Administration, Casino Aztar; 812/433-4000.